

[SIDBI Exam 2016]

Important questions 8

1) Since 1983, the RBI's responsibility with respect to regional rural banks was transferred to

- A. ARDC
- B. SBI
- C. NABARD
- D. PACs

Ans- C

2) Devaluation of currency leads to

- A. fall in domestic prices
- B. increase in domestic prices
- C. no impact on domestic prices
- D. erratic fluctuations in domestic prices

Ans- B

3) Paper currency first started in India in

- A. 1861
- B. 1542
- C. 1601
- D. 1880

Ans- A

4) The budget deficit means

- A. the excess of total expenditure, including loans, net of lending over revenue receipts
- B. difference between revenue receipts and revenue expenditure
- C. difference between all receipts and all the expenditure
- D. fiscal deficit less interest payments

Ans- C

5) In India, which one among the following formulates the fiscal policy?

- A. Planning Commission
- B. Ministry of Finance
- C. Finance Commission
- D. The Reserve Bank of India

Ans- B

6) How many banks were nationalized in 1969?

- A. 16
- B. 14
- C. 15
- D. 20

Ans-B

7) Fiscal deficit in the Union Budget means-

- A. the difference between current expenditure and current revenue
- B. net increase in Union Governments borrowings from the Reserve Bank of India
- C. the sum of budgetary deficit and net increase in internal and external borrowings
- D. the sum of monetized deficit and budgetary deficit

Ans- C

8) Reserve Bank of India was nationalized in the year

- A. 1935
- B. 1945
- C. 1949
- D. 1969

Ans- C

9) The banks are required to maintain a certain ratio between their cash in the hand and totals assets. This is called

- A. Statutory Bank Ratio (SBR)
- B. Statutory Liquid Ratio (SLR)
- C. Central Bank Reserve (CBR)
- D. Central Liquid Reserve (CLR)

Ans- B

10) Excise duty is a tax levied on the

- A. import of goods

- B. export of goods
- C. production of goods
- D. sale of goods

Ans-c

11) Depreciation means

- A. closure of a plant due to lock out
- B. closure of a plant due to labour trouble
- C. loss of equipment over time due to wear and tear
- D. destruction of a plant in a fire accident

Ans- C

12) In the second nationalization of commercial banks, ____ banks were nationalized.

- A. 4
- B. 5
- C. 6
- D. 8

Ans- c

13) Devaluation of a currency means

- A. reduction in the value of a currency vis-a-vis major internationally traded currencies
- B. permitting the currency to seek its worth in the international market
- C. fixing the value of the currency in conjunction with the movement in the value of a basket of pre-determined currencies
- D. fixing the value of currency in multilateral consultation with the IMF, the World Bank and major trading partners

Ans- A

14) The central banking functions in India are performed by the

- I. Central Bank of India
- II. Reserve Bank of India
- III. State Bank of India
- IV. Punjab National Bank

A. I, II

- B. II
- C. I
- D. II, III

Ans- B

15) Deficit financing means that the government borrows money from the

- A. RBI
- B. local bodies
- C. big businessmen
- D. IMF

Ans- A

16) Which one of the following is the banker of the banks?

- a) State Bank of India
- b) Reserve Bank of India
- c) Punjab National bank
- d) Central Bank of India

Answer- b

17) The head quarters of world trade organization is in

- a) Montreal
- b) Geneva
- c) New jersey
- d) Seattle

Answer- b

18) Who is known as father of economics?

- a) Adam Smith
- b) Max Muller
- c) Joy Chaterjee
- d) Amritya Sen

Answer- A

19) Which is major rubber producing state in India?

- a) West Bengal
- b) Gujarat
- c) Uttar Pradesh
- d) Kerala

Answer- d

- 20) What is Autarchy?
- a) Gradual increase of economy.
 - b) Gradual decline of economy.
 - c) Self sufficiency and self reliance of economy
 - d) Dependence of economy on external factors.

Answer- c

- 21) Balance sheet shows
- a) Assets
 - b) Liabilities
 - c) Both assets and liabilities
 - d) Neither of them

Answer- c

- 22) What is term Hot Money used for?
- a) Black money
 - b) White money
 - c) A money which is hard to come but easy to go
 - d) A money which comes easily and goes easily too

Answer- D

- 23) Sales Tax is
- a) Direct Tax
 - b) Indirect Tax
 - c) Tax imposed by central government
 - d) Tax imposed by state government

Answer- B

- 24) Which industry is the largest?
- a) Handloom
 - b) Sports
 - c) Music
 - d) Textile

Answer- D

- 25) What is FEMA?
- a) First Exchange Management Act
 - b) Foreign Exchequer Management Act
 - c) Foreign Exchange Management Act

d) Foreign Evaluation Management Act

Answer- c

26) Which Indian got Nobel Prize for Economics?

- a) Mother Teresa
- b) Amarthiya Sen
- c) C.V.Raman
- d) None of above

Answer- B

27) The bank which has the highest number of branches in the world is?

- a) State Bank of India
- b) RBS
- c) London Bank
- d) Canara Bank

Answer- A

28) Imperial Bank of India was old name of?

- a) State Bank of India
- b) United Bank of India
- c) Central Bank of India
- d) Punjab National Bank

Answer- A

29) Excise duty is imposed on

- a) Sale of an item
- b) Production of an item
- c) Consumption of an item
- d) All of above

Answer- B

30) Which state has the highest Per Capita Income in India?

- a) Delhi
- b) Punjab
- c) Bihar
- d) West Bengal

Answer- B

- 31) Which one among the following formulates the fiscal policy in India?
- a) Planning Commission
 - b) Finance Commission
 - c) The Reserve Bank of India
 - d) Ministry of Finance

Answer- D

- 32) In India paper currency started in?
- a) 1860
 - b) 1861
 - c) 1862
 - d) 1863

Answer- B

- 33) Which is the most important source of income for Government of India?
- a) Interest
 - b) License fee
 - c) Income tax
 - d) Excise duty

Answer- D

- 34) States earn maximum revenue through
- a) Tax Fines
 - b) Customs
 - c) License sales
 - d) Commercial taxes

Answer- D

- 35) The banks are required to maintain a certain ratio between their cash in hand and total assets. This is called?
- a) Statutory Liquid Ratio
 - b) Cash Reserve Ratio
 - c) Liquid Ratio
 - d) Statutory Ratio

Answer- A

- 36) In India, Inflation measured by the:
- a) National Income Deflation

- b) Wholesale Price Index number
- c) Consumer Price Index
- d) None of above

Answer- C

- 37) Reserve bank of India was established on
- a) 1st April, 1935
 - b) 1st April, 1936
 - c) 1st April, 1937
 - d) 1st April, 1938

Answer- A

- 38) First five year plan in India was from
- a) 1947 - 1952
 - b) 1949 - 1954
 - c) 1950 - 1955
 - d) 1951 - 1956

Answer- D

- 39) The increase in oil seeds production was due to?
- a) White revolution
 - b) Yellow revolution
 - c) Green revolution
 - d) Brown revolution

Answer- B

- 40) The progress in increase of fish production was called
- a) Yellow revolution
 - b) White revolution
 - c) Brown revolution
 - d) Blue revolution

Answer- D

- 41) Which state is the biggest tea producer in the country?
- a) Andhra Pradesh
 - b) Sikkim
 - c) Assam

d) West Bengal

Answer- C

42) The data of estimation of India's National income is issued by?

- a) Planning Commission
- b) National Data Center
- c) Central Statistical Origination
- d) None of above

Answer- C

43) Approx ___ % of Indian population is still Agriculturist.

- a) 46%
- b) 50%
- c) 58%
- d) 64%

Answer- C

44) Contribution of agriculture to Gross National Product is approximately?

- a) 14%
- b) 15%
- c) 16.5%
- d) 17.5%

Answer- D

45) The best indicator of economic development of any country is ?

- a) Its agriculture
- b) Its transport
- c) Its gross production
- d) Its per capita income

Answer- D

46) Who was the father of Operation Flood?

- a) Dr. Norman Borlaug
- b) Dr. M.S. Swaminathan
- c) Dr. Verghese Kurien
- d) Dr. William Gande

Answer- C

All the best by Ur GK Buddy Suryansh